

**Modified Net Revenue - Customer Collaborative**

Through the Month Ended February 29, 2004

Preliminary Unaudited

	A	B	C	D	E	F
	Actuals: FY 2000	Actuals: FY 2001	Actuals: FY 2002	Actuals: FY 2003	Rate Case: FY 2004	Forecast: FY 2004 First Quarter <Note 5
1 PBL Net Revenue (Expense)	252,130	(212,043)	(87,421)	242,996	129,045	211,300
2 PBL Modified Net Revenue Adjustments <Note 1	(81,677)	(205,730)	(303,051)	(203,350)		(94,613)
3 PBL Modified Net Revenue <Note 2	170,453	(417,773)	(390,472)	39,646	129,045	116,687
4 PBL Accumulated Net Revenue <GSRP Defined, see Note 3	170,453	(247,321)	(637,793)	(598,147)	(469,102)	(481,460)
5 FBCRAC Threshold Amount <Note 4	--	(386,000)	(408,000)	(378,000)	(264,000)	(264,000)
6 MNR Improvements Required for Zero Percent FBCRAC						217,460
7 FCRPS MNR <Note 6	159,300	(374,625)	(346,387)	36,874	144,726	106,143

<1 Consistent with the GRSP's, the Modified Net Revenue (MNR) is an adjustment to Net Revenues for the purpose of calculating the rate case Financial and Safety-net Cost Recovery Adjustment Clause.

The MNR excludes the impact of SFAS 133 transactions (Accounting for Derivative Instruments and Hedging Activities); for Debt Service, the MNR excludes actual ENW debt service and substitutes the Energy Northwest debt service expenses as forecasted in the WP-02 Final Studies.

<2 FYTD PBL MNR equals \$150.9 million and FYTD FCRPS MNR equals \$171.7 million.

<3 The GRSP's definition of the Accumulated Net Revenue (ANR) differs from the accounting standard definition of ANR. The GRSP's defined ANR is used in determining the FBCRAC rates; the GRSP's ANR represents the accounting standard Accumulated Net Revenue (starting 09/30/99) less the accumulated effects of FAS 133 and ENW debt refinancing activities (see note 1.)

<4 In accordance with the GRSP's, the FBCRAC thresholds were established to provide an upward adjustment to rates to address declining financial circumstances.

The thresholds are established as a benchmark in which to evaluate the financial condition. The FBCRAC thresholds for the ends of FY 2003 - 2005 are reset to equal the SNCRAC thresholds each time the SNCRAC thresholds are recalculated. [SN-03-A-02]

<5 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices.

This report is not an absolute prediction of future revenues or costs, nor does it reflect the actual ANR for the end of the fiscal year, (unless otherwise indicated.)

This report should not be used for investment purposes, nor is it a guarantee that the actual ANR will be achieved as forecasted.

<6 Because the FCRPS MNR excludes actual ENW debt service amounts and substitutes the Energy Northwest debt service expenses as forecasted in the WP-02 Final Studies, the FCRPS MNR removes the effect of debt refinancing from BPA's annual financial activities.